



General Assembly

Substitute Bill No. 6352

January Session, 2013



AN ACT CONCERNING THE EXPENDITURE CAP.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 2-33a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 The General Assembly shall not authorize an increase in general
4 budget expenditures for any fiscal year above the amount of general
5 budget expenditures authorized for the previous fiscal year by a
6 percentage which exceeds the greater of the percentage increase in
7 personal income or the percentage increase in inflation, unless the
8 Governor declares an emergency or the existence of extraordinary
9 circumstances and at least three-fifths of the members of each house of
10 the General Assembly vote to exceed such limit for the purposes of
11 such emergency or extraordinary circumstances. Any such declaration
12 shall specify the nature of such emergency or circumstances and may
13 provide that such proposed additional expenditures shall not be
14 considered general budget expenditures for the current fiscal year for
15 the purposes of determining general budget expenditures for the
16 ensuing fiscal year and any act of the General Assembly authorizing
17 such expenditures may contain such provision. As used in this section,
18 (1) "increase in personal income" means the average of the annual
19 increase in personal income in the state for each of the preceding five
20 years, according to United States Bureau of Economic Analysis data;

21 (2) "increase in inflation" means the increase in the consumer price
22 index for urban consumers during the preceding twelve-month period,
23 according to United States Bureau of Labor Statistics data; [and] (3)
24 "general budget expenditures" means expenditures from appropriated
25 funds authorized by public or special act of the General Assembly,
26 provided [(1)] (A) general budget expenditures shall not include
27 expenditures for payment of the principal of and interest on bonds,
28 notes or other evidences of indebtedness, expenditures pursuant to
29 section 4-30a, or current or increased expenditures for statutory grants
30 to distressed municipalities, provided such grants are in effect on July
31 1, 1991, and [(2)] (B) expenditures for the implementation of federal
32 mandates or court orders or for the implementation of federal
33 programs that are one hundred per cent funded by the federal
34 government, including federal programs in existence on or after July 1,
35 2013, that are expanded to one hundred per cent federal funding, shall
36 not be considered general budget expenditures for the first fiscal year
37 in which such expenditures are authorized, but shall be considered
38 general budget expenditures for such year for the purposes of
39 determining general budget expenditures for the ensuing fiscal year; [.
40 As used in this section,] (4) "federal mandates" means those programs
41 or services in which the state must participate, or in which the state
42 participated on July 1, 1991, and in which the state must meet federal
43 entitlement and eligibility criteria in order to receive federal
44 reimbursement, provided expenditures for program or service
45 components which are optional under federal law or regulation shall
46 be considered general budget expenditures; and (5) "evidences of
47 indebtedness" shall include expenditures for payment of the annual
48 required contribution for the unfunded accrued liability portion of the
49 teachers' retirement system and the annual required contribution for
50 the unfunded accrued liability portion of the state employees
51 retirement system.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>from passage</i>	2-33a
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Statement of Legislative Commissioners:

In line 32, the comma and brackets were deleted and "for the implementation of" was inserted after "or", for the purpose of clarity.

APP *Joint Favorable Subst.*